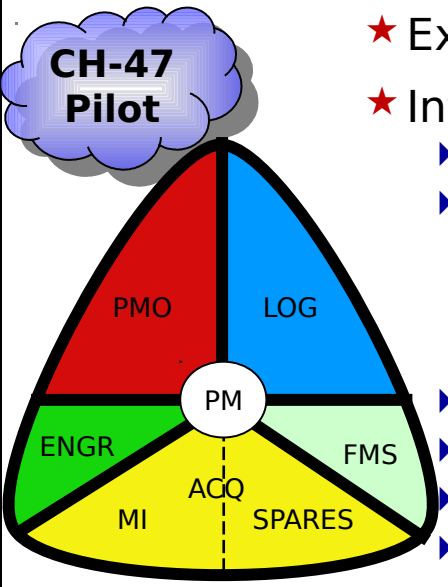
Soldier Focused Life-Cycle (SFL) Management

Presented to the Contracting Summit 4 October 2004 by Dr. Richard Amos

Aviation and Missile Life-Cycle Management Command
Soldier-Focused Life-Cycle Management

- LCMC Concept is designed to bring the Acquisition, Logistics, and Technology Communities Closer Together
- The Vision is to
  - Get Products to the Soldier Faster
  - Make Good Products Better
  - Minimize Life Cycle Costs
  - Enhance the Synergy and Effectiveness of the Army Acquisition, Logistics, and Technology Communities
- The Aviation and Missile LCMC will be formed by merging AMCOM, PEO Aviation and PEO Tactical Missiles. AMRDEC will be Strategically and Operationally Linked
- Soldier Focused Life Cycle Management is Our

Soldier-Focused Life-Cycle Management



- ★ Execution mechanism that makes AVN & MSL LCM Command work
- ★ Integrated team approach to life-cycle management
  - PM is trail boss (Dev, Acq, *Sustainment*)
  - Team comprised of all functional elements
    - Program management & acquisition
    - Sustainment logistics
    - Aviation Engineering
    - Contracting
    - Security Assistance
    - Cost/Systems Analysis
  - Sense of ownership instilled in all stakeholders
  - Single face to the field, single focus, single priority list
  - Integrated rating chain
  - One person in charge
- ★ Full accountability for management decisions across the life-cycle
  - Technology to Demil
  - All customers
  - All programs
- ★ Collocation of appropriate elements enhances communications and speeds processes
- ★ Flexible Implementation:
  - Allow for differences in commodity and life-cycle position

How We Know SFL Is Working

- SFL pilot (CH-47) operational since 17 Mar 04
  - Team comprised of all functional elements
  - Appropriate elements co-located
- PM is the true life-cycle manager with full authority and fund
  - SFL team directs execution of all CH-47 funding, beginning 1 OCT 04 (incl. OMA & AWCF)
  - SFL team plans and budgets all future requirements – OMA and AWCF FY 06 budget build (Nov 04)
  - Is single LCMC voice for all CH-47 issues – PM is single face to the field
- PM exercising authority over sustainment decisions
- Single / master priority list
- Integrated rating chain in place
- Integrated process definition underway
- Hardware and process success stories building
  - Horizontal Hinge Pin
  - ROK Transmission “MS Nut” AWR
  - Parts Marking
  - 400 Hour Phase

FY 05 AWCF HDWR
≈$415M

FY 05 OMA
≈$40M

Accomplishing the Vision

Faster
Better
Lower Cost
Exploiting synergies of A, L & T at PM level

Strong sense within the CH-47 SFL Team that this is the “right” thing to do

Real Differences

- 400 Hour Phase
  - Early in the implementation of SFL, the team used new RCM2 tools (now an integral part of Candidate Analysis Management Process) and newly realized organizational integration to quickly develop and implement the 400 Hour Cycle Service Plan.
- Horizontal Hinge Pin
  - Identified by IMMC as #1 unfulfilled demand rate item. Field visit to Alaska identified possible premature rejections by field due to inadequate -23. Demand Rate Management SFL activity convened. Short term fixes to maintenance procedures and long term design changes identified. Short term fixes implemented through manual change and instructional CD to field. Long term design fixes to be implemented utilizing DLA funding.
- Parts Marking
  - Operating in the environment of SFL, Cargo proactively leveraged system acquisition dollars to require parts marking for 224 parts within the SOW for the CH-47F prior to the mandate for inclusion in all acquisitions. Subsequent spares acquisition of those parts will now be marked IAW DoD UID Guidance reducing O&S cost and ultimately benefiting the Soldier.
- ROK Transmission – “MS Nut”
  - SFL Integrated Team worked an SSRA, without requiring a formal AWIS and in record time, while concurrently responding expeditiously to the ROK through the FMS process and the newly formed SAMD alliance.

Contract of the Future
How to Get There

- ★ Leadership
- ★ Commitment to Change
- ★ Partnership
- ★ Communicatio

Contract of the Future
Influences

- Performance Based Service Contracting
- Partnering
- Contractual Incentive Strategies
- Performance based Logistics

Flexibility Is Key

Conclusion

The focus of our effort is Improved System Availability and Readiness, Continuous Performance Improvement, Reduced O&S Cost and *truly* Integrated Life Cycle Management.

The three Top Priorities are:

- ★ Reduce the burden on the sold
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